Daily Report

Latin America

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Slight Economic Slowdown Noted in Andean Group

PY2207151488 Madrid EFE in Spanish 0015 GMT 22 Jul 88

[Text] Lima, 21 Jul (EFE)—The economic growth of the Andean group this year will be slightly less than the 4 percent growth rate of 1987. This figure reflects the steep deceleration of the Peruvian economy and the slower deceleration of the Colombian economy.

Bolivia and Venezuela will have moderate growth rates, and Ecuador will recuperate from the 1987 slump caused by the earthquake that substantially damaged its oil industry.

These estimates are reported by the publication ECONOMIA ANDINA, which has just been released by the Cartagena Agreement Board, as the Andean Group is officially called.

Among the major factors that have restricted the growth of several Andean countries are the increasing inflation rate and the monetary and fiscal measures that have been adopted to curb it.

The highest inflation rate has been registered in Peru, where the annual rate went from 115 percent at the end of 1987 to 217 percent in May 1988. In Ecuador, inflation went from 33 to 48 percent over the same period.

The growth of inflation has been relatively small in Colombia, while in Bolivia it has been insignificant. In Venezuela, although inflation increased from 12 to 40 percent, it dropped 28 percent in April.

Another factor that restricts Andean growth is the low level of reserves of some Andean countries.

The level of reserves of all Andean countries, except Ecuador, dropped in April. Peru is $207 million in the red.

ECONOMIA ANDINA says that this deterioration was caused by the low price of fuel exports, by reactivation policies that demanded currency investments, and by the high foreign debt obligations.

Cuba

Southwest Africa Accord, Peace Prospects Viewed

PA2507223288 Havana International Service in Spanish 1600 GMT 25 Jul 88

["Topics" feature with station commentators Elena and Nestor Nunez]

[Text] [N. Nunez] We are here to talk about the quadripartite talks for achieving peace in southern Africa.

[E. Nunez] Indeed, in the past few days, important events have taken place, particularly since Cuba, South Africa, and Angola accepted a document that shows every sign of being the beginning of an agreement for solving the conflict in southwest Africa. I believe—and I think all analysts agree with me—that this acceptance opens the way for a settlement of the crisis in southern Africa.

Meanwhile, it w[illegible] learned recently that SWAPO, the Southwest African People's Organization, expressed its willingness to hold direct talks with South Africa and even to declare a cease-fire as a preparatory step for achieving a solution and, of course, for applying Resolution 435 on the independence of Namibia.

[N. Nunez] Yes, indeed, Elena. I would like to refer to the statements made here in Havana by Carlos Aldana, member of the PCC Central Committee Secretariat and a member of the Cuban delegation to the quadripartite talks, a few hours after this document on principles of understanding among Angola, Cuba, and South Africa was announced.

He said, as you so aptly reported, that this document establishes the bases for future negotiations and that from 2-4 August, experts from the three countries will meet in Geneva to develop the specific steps that are outlined in that document and that will lead to permanent peace in southwest Africa.

[E. Nunez] Nester, excuse me for interrupting. I understand this principle of understanding is not the basis for a general agreement....

[N. Nunez interrupting] No.

[E. Nunez] But for a number of bipartite and tripartite agreements.

[N. Nunez] Yes, that is exactly what I was about to say. Aldana said one should not expect this agreement—or understanding, to be more precise—to lead to an overall agreement among the three parties; instead, it is the basis for trilateral or bilateral agreements, depending on the specific matters to be discussed. For example, an agreement has already been reached for the withdrawal of the South African troops—or of South Africa in general, the South African administration— from Namibia, which, as you know, is a territory that is being occupied illegally by the Pretoria racists. Its independence is provided for in UN Resolution 435. In effect, in this document of understanding, South Africa said it is willing to withdraw from Namibian territory. According to this document, this withdrawal should be monitored by the United Nations, and the South African troops should be withdrawn in approximately 7 months. The withdrawal of our units, the Cuban internationalist units, from Angola will be carried out in line with a bilateral agreement between Cuba and Angola, which will of course stipulate the timeframe.

[E. Nunez] Nestor, some Western news agencies have said Namibia's independence will be closely linked to the withdrawal of the Cuban internationalist troops from Angola, but it is my understanding that there will be no link between one thing and the other.

[N. Nunez] Aldana explained that actually, the policy South Africa and the United States have been trying to impose for some time does not apply here: the policy of linking Namibian independence to the withdrawal of Cuban troops. Indeed, as you saw in the explanation I tried to give a few minutes ago, these steps are independent. In other words, South Africa accepts Resolution 435, a mandate of the international community, a mandate that should be carried out through the United Nations. Cuba and Angola will then begin negotiations, by sovereign decision, for the Cuban units to be withdrawn from Angola within a reasonable time.

Aldana said, and it is interesting to note, that the withdrawal of the Cuban troops will, of course, be subject to three basic factors:

1. Once and for all, absolute security must be provided for Angola, which up to a short time ago was the target of constant acts of aggression from South Africa.

2. There must be strict compliance with Resolution 435; in other words, South Africa or the other parties involved in this agreement must implement it appropriately to make it possible for the Cuban troops to withdraw.

3. This withdrawal cannot be immediate; that is, all the troops cannot be withdrawn immediately. Certain amounts of equipment, troops, and the like must be withdrawn gradually. It is a movement that requires a certain amount of time. It is not so easy. It is physically impossible to do this in a one-time movement; it must be a staggered operation.

These are basic aspects. Above all, the main thing is that the Cuban troops will be withdrawn, if a satisfactory agreement is reached....

[E. Nunez, interrupting] Over a 3-year period.

[N. Nunez] Yes, it could be 3 years. That has to be settled more precisely. The interesting thing, however, is that the Cuban forces will be withdrawn, but not without having fulfilled their mission. In other words, they are withdrawing after having achieved the security and stability of the Angolan Government and with the implementation of Resolution 435, which grants independence to Namibia. I believe, as Aldana said, that the Cuban troops carried out the historic mission for which they were sent to Angola.

[E. Nunez] I would like to take this opportunity, Nestor, to talk a little bit about just why an agreement in principle has been reached by Cuba, South Africa, and Angola at this historic time, and about the international situation and the situation in southern Africa, both of which have led to this agreement. As far as Cuba and Angola are concerned, our two governments have always sought a solution to the conflict in southwest Africa. You know, however, that South Africa has always been unwilling to accept Resolution 435 on the independence of Namibia. Why has it done so at this time?

Well, it seems to me, first of all, that South Africa has suffered innumerable military defeats....

[N. Nunez, interrupting] That is true.

[E. Nunez] ...ever since it launched its offensive against Angola to support Jonas Savimbi's counterrevolutionary bands. In fact, the Cuban-Angolan troops are already very close to the Namibian border.

On the other hand, we have the great internal pressure being exerted on the Pretoria regime. This pressure is not only felt within South Africa, which has intensified repression of antiapartheid organizations—some time ago it outlawed 14 of them—and has even extended the state of emergency. It is also facing a very difficult situation within Namibia, where SWAPO has stepped up its activities against the system of racial segregation.

Moreover, we have the international repudiation of South Africa, which has also increased recently and has even forced the U.S. rulers to pressure South Africa to become more flexible. Of course, the United States has not changed its policy toward southern Africa in the least. Much to the contrary, it is a maneuver. Let us not forget that we are approaching the presidential elections. The Reagan administration wants to leave with something in its favor that could help Vice President George Bush, who is a Republican candidate. Of course, all of this is a political game to improve the image of the U.S. Government and the Republican administration.

[N. Nunez] Let us not forget, speaking of the U.S. Government, that despite the quadripartite talks and this document of understanding in principle, the U.S. Government said a short time ago that it will continue to support the UNITA [National Union for the Total Independence of Angola] bands. In other words, this document of understanding would of course imply, once the South Africans withdraw from Namibia, the end of South African support for the UNITA bands. The South African troops would have to cross an independent Namibia to get supplies to the UNITA bandits. Yet, the United States claims the right to continue this support. This will have to be the subject of later bilateral negotiations between the Angolan and U.S. Governments. Once an agreement is reached, the situation would become a domestic Angolan affair.

This has been a quick overview of this agreement, which we could discuss at length.

Panama's Solis, External 'Pressures' Viewed

PA2307035788 Havana International Service in Spanish 2300 GMT 22 Jul 88

["Our America" commentary, read by Urbino Amaya]

[Text] When he presented the draft Electoral Code reforms to the Legislative Assembly, Panamanian President Manuel Solis Palma said that democracy would be more evident in Panama once foreign intervention in the internal affairs of the country is over. In this regard, there is the undeniable fact that for approximately 2 years now, Panama has been subjected to economic and political pressures that seek to break democracy.

As a result of the direct foreign intervention in the domestic affairs of Panama, the country's economy is in terrible condition, and that has a tremendous influence on the political and social situation in the country. Until recently, U.S. officials and diplomats had been intervening openly in the activities of extreme right-wing Panamanian groups, who with their destabilizing actions not only endanger democracy but also attack the canal treaties.

Panama is being pressured to set aside its dignity and sovereignty as a requirement for recognition of the current government. After nearly 5 months in power, Manuel Solis Palma has yet to be recognized by the U.S. Government, which is set on destroying him.

There will be elections in Panama in May 1989, and—as President Solis Palma said—this has top political priority. The Panamanian elections seek to improve democracy and will undoubtedly be an opportunity to negotiate and reconcile positions among the sectors that until recently served as instruments of destablization.

There are opposition parties and groups in Panama, and these are not obstacles for consolidating democracy. However, foreign intervention is an obstacle, since it is trying to use the opposition to disrupt order and create chaos.

The Pananmanian president mentioned all of these aspects when he said that all sectors of the country should strive to find a national solution to the current crisis, without any foreign intervention, as the future of the nation is at stake.

Cambodia's Heng Samrin Continues Visit

Phnom Penh on Talks

BK2307123088 Phnom Penh SPK in English 1123 GMT 23 Jul 88

[Text] Phnom Penh SPK July 23—Talks were held in Havana on July 20 between Heng Samrin, secretary of the People's Revolutionary Party of Kampuchea [KPRP] Central Committee and president of the State Council, and Fidel Castro Ruz, first secretary of the Communist Party of Cuba Central Committee, president of the State Council and the Council of Ministers.

President Heng Samrin briefed his host on the PRK's [People's Republic of Kampuchea] policy of national reconciliation and reiterated the PRK's resolve to contribute to the search for a political solution to the Kampuchean conflict.

For his part, President Fidel Castro renewed Cuba's full support for the PRK's initiatives aimed at peacefully settling the Kampuchean problem, thus contributing to making Southeast Asia a zone of peace, stability and cooperation.

Visits Playa Giron, Museum

FL2307185888 Havana Radio Reloj Network in Spanish 1803 GMT 23 Jul 88

[Text] Heng Samrin, secretary general of the KPRP and chairman of the Council of State of the PRK, this morning visited Playa Giron in Cienaga de Zapata, Matanzas. He was accompanied by Jorge Risquet, member of the PCC Politburo and secretary of the Central Committee.

The distinguished visitor toured the Playa Giron Museum which displays photos and personal effects of those fallen in combat against the mercenary invaders of the Yankee imperialism as well as weapons and war equipment taken from them. Heng Samrin and his entourage listened to the explanations of the museum's specialized guide and later viewed the documentary "Death to the Invader," which shows the heroism of Cubans who clashed with the mercenaries.

The Cambodian leader expressed his admiration for the combatants who made possible the first great defeat of Yankee imperialism in America.

Honors Marti in Santiago

FL2507005088 Havana Television Service in Spanish 0000 GMT 26 Jul 88

[Text] Heng Samrin, secretary general of the KPRP, has paid tribute to Jose Marti, intellectual author of the Moncada Barracks attack, at the Santa Efigenia Cemetery in Santiago de Cuba. Heng Samrin, who is also chairman of the Council of State of the PRK, learned details concerning our national hero's mausoleum and later went to the Granjita Siboney and the old Moncada Barracks.

Heng Samrin is in our country at the invitation of Fidel Castro on behalf of the government and party. The Cambodian leader arrived in Santiago de Cuba today to participate in the celebrations marking the 35th anniversary of the Moncada Barracks attack.

[Begin Heng Samrin recording in vernacular with simultaneous translation into Spanish] All this constitutes for us an example and an encouragement in the work of rebuilding and defending our fatherland. We salute the 35th anniversary of the Moncada Barracks attack. The friendship and solidarity relations between the peoples, governments, and parties of our country have been strengthened even more. [end recording]

FAR Decorates 34 Workers in Sancti Spiritus

FL2607164388 Havana Tele-Rebelde Network in Spanish 1100 GMT 26 Jul 88

[Text] The FAR Distinguished Service Award was given to 34 workers and professionals for their outstanding work in the recovery efforts from damage caused by the heavy rains of June in Sancti Spiritus. Among those awarded was Elsa Maria Rodriguez, a family doctor for the mountainous areas.

Division General Senen Casas Regueiro, alternate member of the PCC Central Committee Politburo, accompanied by Jorge Valdes and Tomas Cardenas, first party secretaries in Sancti Spiritus and Santa Clara, respectively, praised the workers who earned the awards.

One of the recovery projects that can be highlighted is the rebuilding of the road from (Topes de Coyantes), Sancti Spiritus to Jibacoa, Villa Clara. This was done in only 16 days. A stretch of road linking Trinidad and (Gallabo) City had also been totally destroyed; it was repaired in 6 days. Normally, such work would have required several weeks to complete.

The PCC provincial committee of the Central Committee also gave certificates to another group of workers who carried out the reconstruction work in an outstanding manner.

Haiti

Military Officer on Civic Activities, Goals

FL2507223488 Port-au-Prince Radio Nationale in Creole 1300 GMT 25 Jul 88

[Excerpts] Yesterday morning, Port-au-Prince city hall officials and the Haitian Army got together to pick up trash and to clean up certain sections of Port-au-Prince. These activities are part of the social and civic action that falls to the military as part of their duties and their contribution to bringing about change in Haiti.

Several Haitian Army battalions were in different parts of town, such as Delmas 2, Rue Saint Martin, Rue Dr Aubry, and in the vicinity of the cathedral.

In the vicinity of the cathedral the military responsible for cleaning up the area were mostly members of the Presidential Guard. Saint Anne Square was being cleaned up by the Haitian Navy. Other battalions cleaned up many other poor neighborhoods.

The officer in charge of the Presidential Guard Battalion, Lieutenant Jacques Denis, told us this was one of many activities that the military are going to undertake, such as reforestation, adult literacy programs, and construction of low-cost public housing, such as that begun by the Venezuelan military. This is going to be continued by the Haitian Army.

Lt Denis also said that this work was part of the solidarity that exists between the Haitian Army and the Haitian people. Let's listen to him:

[Begin Denis recording] Whenever they talk about the Army, they think the Army's only mission is to ensure the nation's security. No, this is not the Army's only mission. The Army also has a mission to develop the country. It has civic action to undertake. For example, the Army has to get involved in educating the masses. As you know, the Army has an artists corps, for example, the musicians. They give concerts. The Army has schools. There is the Casernes Dessalines school, which takes both civilians and military. All that is the Army's contribution to the development of Haiti.

The Army lives with the Haitian people. When we undertake a cleanup, for example, everyone benefits. It is to the benefit of the Haitian people, and what is to the benefit of the Haitian people is also to the benefit of the Army.

So, the reason for this action is that, just as the Haitian people would like to see the face of Haiti change, we military, too, would like to see it change. But if everyone just stands by and crosses his arms, saying the country must change but doing nothing, the country will always remain the way you see it today.

We ourselves would like Haiti to change, so we are taking specific action. Everyone can see that Port-au-Prince is at present very dirty, and we know that Port-au-Prince city hall does not have sufficient means. We know that Haiti is in an economic crisis. We have no aid from either left or right, so, we ourselves, as citizens of this country, must get to work. We have begun with a cleanup. We can do other things in the future: adult literacy, and so forth—everything that can further the country's development. [passage omitted]

This is not the first time the Army has taken this kind of initiative. This is perhaps the first time it has caught your attention as a journalist, and that you have come to interview us and ask questions; however, this has always gone on. [passage omitted] We are doing this same thing in many other areas. [passage omitted]

Also, the population, particularly in the areas being cleaned up, was very happy with this initiative. Some of them said it would make people more aware that they should always keep their neighborhoods clean. [passage omitted] [end recording]

Human Rights Seminar Planned for Military

FL2507224988 Port-au-Prince Radio Nationale in Creole 1300 GMT 25 Jul 88

[Excerpt] Mr (Erwin Bohi), the regional delegate of the International Committee of the Red Cross, the ICRC, visited Port-au-Prince 13-15 July. During his visit, Mr (Bohi) met with certain high-ranking members of the Army to discuss regulations for the organization of a seminar on international human rights for higher-ranking Haitian Army officers.

The ICRC delegate talked with Haitian Red Cross officials, including Red Cross President Dr William Fougere.

Before returning to San Jose, Costa Rica, site of the regional delegation headquarters, Mr (Bohi), who is very concerned about the development of our national society, evaluated its evolution together with Mrs (Paule Rousseau). (Rousseau) was sent to Haiti by the League of Red Cross and Red Crescent Societies for a 12-month period. [passage omitted]

Further on Labor Conflict at Garment Factory

FL2207215088 Port-au-Prince Radio Haiti-Inter in Creole 1600 GMT 22 Jul 88

[Excerpts] The situation is still tense at the factory called Haiti Fashion, following the firing of four union leaders who worked at that plant.

Yesterday morning, it seems the factory's management even refused to let in a Social Affairs Ministry inspector—who represents the Haitian nation and government—as well as a representative of the CATH, Autonomous Organization of Haitian Workers, with which the plant's union is affiliated. These men had gone to the plant to talk with Haiti Fashion's management.

Gabriel Miracle, who went there in the name of the CATH for this meeting, will tell us what happened and what the situation is like at present at Haiti-Fashion.

[Begin recording] [Miracle] [Passage omitted] When we arrived at Haiti Fashion, the plant's management refused to meet with the Social Affairs inspector. They did not let him in to talk, to negotiate. This is strange, and serious. I am also ashamed, as a Haitian, to be in a country where you see foreigners coming and doing (?as they please). Our leaders have done so many improper things that they have no [words indistinct] they have no value in our country.

So when we were refused entry, we had to go back to the Department of Social Affairs, where the regional director for the West had to call and talk to Haiti Fashion over the phone. They set up an appointment for Monday at 1030.

I must tell you that the workers are very upset over the firings. They wanted to go on strike, but we told them to wait and not rush to strike, because we had to negotiate first, in order to comply with the law. That is why we are holding off for awhile. [passage omitted]

There is an American union legal adviser here in Haiti, and he said that he would try to go with us. [passage omitted]

Also, there are many armed civilians wandering around the plant—people with revolvers, people with weapons in attache cases. I would like to stress: How is it possible for a manager to carry a revolver inside a plant. And I think the manager, (Eddy Jules), is carrying a revolver. He fired the union leaders and then told them he was ready for them. I mean, what is this!

Regarding cases like this, we of the CATH are tired of asking the Social Affairs Ministry to intervene and say: No, this is not possible. A worker cannot be working while people are carrying weapons inside the plant. [Words indistinct] should not have weapons. We are (?not at) war. We remember the El Maco case. We remember what happened at (Omicron). The same thing is [words indistinct].

I want to stress that ever since the military government seized power, employers have become more arrogant and more aggressive. They tell you outright that they are in power now. And it's true. They really are, because throughout the world, no military government has ever done anything for the masses. Such governments are never into benefiting the people. They are always on the side of the wealthy bourgeoisie. I consider this normal for such governments, so I am not surprised to hear the employers say they are in power now.

[Excerpts] [Reporter] Regarding the manager that you tell me is armed inside the factory, did you personally see this?

[Miracle] The men he fired saw it. They are here in the CATH offices with me. I can put one of them on the phone, so that he can explain to you.

[Reporter] [Passage omitted] It is being said that after having fired the employees, the manager is carrying a weapon inside the plant. Is this true?

[Unidentified speaker] Yes, it's true. He told us that he had a weapon, and that he is a civilian while he is inside the plant, but that outside the plant he is an authority. He had a weapon on him from the day he fired us. [passage omitted]

[Reporter] Can you tell us about the situation in general at Haiti Fashion?.

[Speaker] Things are heading toward deterioration. They are waiting for us, to see what CATH (?and) the Social Affairs Ministry say. They want to back us up. It is we who are pressuring them to work, because we do not want to do anything illegal. We want to do everything properly, fill out all our forms and so forth, before going on strike.

[Reporter] How many workers are affected by these firings at Haiti Fashion? [passage omitted]

[Speaker] We four have already been fired. The employer is pressuring many others. There are others he is going to get. He says he is firing the four of us, who are more aggressive and who are preventing him from doing his work, and that he will get the others later. He is also going to fire all the old workers he has been wanting to fire. But he is going to fire the entire committee, everyone who was in the union. [end recording] [passage omitted]

Solidarity Week With Students Planned

FL2507213188 Port-au-Prince Radio Metropole in French 1600 GMT 25 Jul 88

[Excerpts] Registration for the 1988 baccalaureate for Port-au-Prince, Petion-Ville, Carrefour, and throughout Haiti was to begin today, the Ministry of Education has announced. [passage omitted] We do not as yet have the exact number of students enrolled in Port-au-Prince, but in Saint-Marc, at around noon, 19 of the 134 students who had refused to take last year's baccalaureate exams had thus far registered.

A committee made up of student representatives from 23 schools has established a program for all this week in solidarity with the special Philo class students.

At 1000 tomorrow, Tuesday, the committee is planning to meet with the special Philo class students at College Saint Pierre on Rue Capois, Champ de Mars; at (?Kayanou) Secondaire, on Deuxieme Ruelle Jeremie; at College Lucien Hibert, on Avenue (Charles Sumner); at the Centre d'Etudes, on Premiere Avenue du Travail; and at College Les Normaliens Reunis, Impasse Bellevue. Students may go to the school that is closest to them.

Wednesday, 27 July, will be a day of solidarity with the special Philo class students, and there will be a meeting with democratic and people's organizations at College Saint Pierre at 1000. On that same day, 27 July, there will be a musical gathering at the National Theater at 1700, with performances by (Kateka) and Manno Charlemagne.

On Thursday, 28 July, there will be a meeting with the parents of the special Philo class students at 1500. On this same day, there will be a meeting at Saint Jean Bosco at 1600 to reflect upon this date of 28 July.

On Friday, 29 July, there will be a meeting with the press at College Les Normaliens Reunis, Impasse Bellevue, at 1000.

On Saturday, 30 July, there will be a mass to close the week at Saint Jean Bosco.

That is the program drawn up by a committee made up of students from 23 schools in Port-au-Prince.

For their part, ZEL [Student Affairs] and IEP [Union of Port-au-Prince Students] have again stated their position as regards the new Education Ministry authorities' decision to cancel the special Philo class and to hold Rheto class-level exams in September for those who refused to take the 1987 baccalaureate exams. Condemning this decision, ZEL and IEP state their determination to continue the struggle to organize the student sector from Sixieme class to Philo class, and assert that they do understand the position of the students who have, despite everything, agreed to participate in the September exams.

[Announcer switches to Creole] In view of this situation, it is clear to us, members of ZEL and IEP, that the September exams are very doubtful and do not fall into line with the objective of changing the poor educational system. That is why we will never agree to that exam. However, we can understand the different decisions that the students might make, such as participating in the September exams; not participating but returning to school in October; or leaving school definitively in Haiti.

Despite all this, we remain 16,000 students. One student's problem is every student's problem.

That is what ZEL and IEP said in their press release.

Price of Kerosene, Oil Gas To Decrease

FL2607155188 Port-au-Prince Radio Nationale in Creole 1300 GMT 26 Jul 88

[Excerpt] The Department of Commerce; the National Association of Disrtibutors of Petroleum Products, Anadipp; and the petroleum companies established in Haiti have, together, decided to lower the price of kerosene and gas oil on the Haitian market, taking into account the drop in the price of these products.

The price of gasoline will remain unchanged because there has been an increase in demand on the international market, in foreign countries.

When asked if the price of gasoline might be lowered, Mr Joseph Alfred Auguste, director of the Petroleum Products Procurement Office, said it is very difficult to make any predictions at this time regarding the price of gasoline. [passage omitted] [Port-au-Prince Radio Metropole in French at 1600 GMT on 25 July states that the new kerosene and gas oil prices will go into effect "as of next Wednesday," and that the new prices "at the pump" will be 6.65 gourdes for kerosene and 7.70 gourdes for gas oil]

Jamaica

Poll Shows Manley Preferred for Prime Minister

FL2607203788 Bridgetown CANA in English 1830 GMT 26 Jul 88

[Text] Kingston, Jamaica, July 26, CANA—More people here would prefer opposition leader Michael Manley as prime minister of Jamaica rather than the incumbent Edward Seaga, according to an opinion poll.

Professor Carl Stone said that 45 percent of the people he interviewed last month, said that Manley would do a better job of running Jamaica than Seaga, who had a 36 percent support. Stone said that 19 percent did not believe that either man would do a good job.

Stone's poll, the findings of which are being published in the GLEANER newspaper, was conducted between July 7-11, a week before Prime Minister Seaga's Jamaica Labour Party (JLP) held its annual conference. It sampled 2,364 voters from 60 areas across Jamaica with an error factor of plus or minus three percent. The preference for Manley, the People's National Party (PNP) leader, as prime minister, is in keeping with Stone's finding that he remains the most popular politician here and the expected showing that the PNP maintains a comfortable lead over the JLP in the build-up to general elections here. However, the gap Manley opened on Seaga as the most admired politician is narrowed on the issue of who is more suited to run the country. In part of the poll finding published Monday, Manley led as the most admired politician here with a 38 percent support, 14 points more than Seaga.

On the issue of who would be the better leader, those rating Seaga emphasised, Stone said, his strength, his sound economic and financial policies, hard work, a turning around of the economy. Manley's supporters stress his concern for people, his commitment to the poor, his nationalism, his priority on self-reliance in development, a tract record of sound and far-reaching social policies and his emphasis on the upliftment of black people. More than 90 percent of Jamaica's population is black.

JLP officials say that the opposition wants to make personality the major issue in the general election that Seaga must call by mid-March, next year. The charismatic Manley, a former prime minister, would have a decided advantage in this area.

Seaga at his party's annual conference on July 17, sarcastically conceded that Manley had more personal appeal than himself, but snidely dug at the management capacity of the opposition leader. Said Seaga: "He has greater personal appeal than I have. Indeed he has such great personal appeal that he can get sailors to cheer while he's sinking the ship. I can't do that ... but I can take the sinking ship, restore it and rebuild it and take the sailors safely to shore."

Cardenas Rejects Violence, Urges Legal Actions

PA2507222788 Mexico City EL DIA in Spanish 24 Jul 88 p 3

[Article by Anibal Ramirez and Inocencio Valdes]

[Text] Jalapa, Veracruz, 23 Jul—Today National Democratic Front [FDN] presidential candidate Cuauhtemoc Cardenas Solorzano said here in front of thousands of activists and followers that the defense of votes will continue indefinitely, within the limits of the law and as demanded by the people. He also rejected violence "from any side," and he stressed that "the people's will shall not be negotiated."

During a demonstration attended by approximately 35,000 followers, Cardenas urged the people of Veracruz to ignore provocations and remain calm to attain changes and better living standards for Mexicans.

Cuauhtemoc Cardenas delivered a lengthy speech in which he said there are people who are trying to unleash violence from illegitimately held positions. He stressed that provocations should not come from authorities.

During his visit to four municipalities in Veracruz State—Poza Rica, Papantla, Misantla, and Jalapa—Cardenas supported political unity among the opposition parties, stressing the need to incorporate those who have not yet joined the struggle but are against what he called the electoral fraud.

He said Veracruz experienced the most brutal fraud: The FDN received 49 percent of the vote, more than the number of votes obtained by the official candidates.

Cardenas arrived in this city heading a long march of almost 4 km. At Segastian Lerdo de Tejada Plaza, he addressed a large crowd that cheered him during his 50-minute speech.

Cardenas said that in his opinion, the people—organized, mobilized, and orderly—will transform the country. Then, speaking from a platform installed on a trailer parked in front of the government palace, he said a call will be made in due time to carry out blockades, blackouts, sabotage, and other popular demonstrations in defense of people's sovereignty. However, "this is not the time" for this type of call, he noted.

After requesting a minute of silence in memory of murdered FDN leaders Francisco Xavier Ovando and Roman Gil Heraldez, Cardenas said the country's progressive forces will not respond to the calls for violence. The demonstrators—who had been waiting 3 hours—replied by making the sign of victory.

Repeating what he has said during previous demonstrations, Cardenas said the current struggle must be carried out through the electoral institutions in defending the people's rights and will expressed in the past elections.

Here in Veracruz—where Cardenas has claimed 12 victories, of which only 1 has been recognized—he urged the people to gather in public places on 14 August, when similar actions will be conducted throughout the country to "reject imposed defeats."

Cardenas stressed that "approximately 13 or 14 million Mexicans voted for the FDN-Mexican Socialist Party candidates." He added: "We will demand respect for the people's will with demonstrations within the legal framework and by ignoring provocations, as we have been doing since 6 July."

"We will defend our victory at the electoral board [colegio electoral] that will be installed at the Chamber of Deputies and the Senate; therefore, we must remain united at this time," he said, stressing that people's sovereignty is not negotiable.

Clouthier: PAN To Hold Trial on Elections

PA2507175388 Mexico City EL DIA in Spanish 24 Jul 88 p 3

[Article by Gabriela Tovar]

[Text] Manuel J. Clouthier, National Action Party, PAN, presidential candidate, was asked if he would form a new party and if there is division within PAN. He shouted furiously: "Lies, lies!"

He looked aggressively at the reporter who asked the question and described the report published by several papers as "untrue." The reporter told him that the announcement had been made by Jose Luis Salas, coordinator of Clouthier's campaign. In view of Clouthier's insistence on the matter, Clouthier and the reporter agreed to resolve it by consulting Salas.

Clouthier said he met with Cuauhtemoc Cardenas, National Democratic Front presidential candidate, yesterday morning and that PAN President Luis H. Alvarez was also there. Clouthier added that he and Cardenas agreed that "neither of them would declare himself the winner. Instead, we will shout that Carlos Salinas de Gortari lost."

Clouthier said that although he and Cardenas disagree on political ideology, they "do agree that Salinas cannot assume office as president of the Republic."

Continuing his drive to defend their votes with a meeting in Ciudad Satelite under a heavy rainfall, Clouthier asked more than 3,000 followers to keep submitting PAN's slate of candidates for a referendum. "I want to shout to the government that this election must be held again because it was fraudulent."

PAN followers, who marched from the municipal buildings along Lopez Mateos Avenue, rallied very near the towers marking the entrance of Ciudad Satelite. Clouthier announced that on 6 August, PAN will hold a trial against "those who want to rob us of our victory."

He added that this would be a serious matter and that "those found guilty will be sanctioned. The people must put right the disorder the government has created."

Economic Solidarity Pact To Remain in Effect

PA2207224388 Mexico City UNOMASUNO in Spanish 20 Jul 88 pp 13, 14

[By Miguel Badillo]

[Text] Yesterday the Follow-Up and Evaluation Commission for the Economic Solidarity Pact (PASE) decided to keep the PASE in effect until 31 August. Therefore, there will be no salary increases or changes in prices that are subject to government control or registration, nor will there be variations in the exchange rate. Meanwhile, Planning and Budget Secretary Pedro Aspa announced that the 2-percent inflation rate in June, 0.1-percent higher than in May, was the result of higher meat prices since nonfood prices rose only 0.4 percent.

PASE Technical Secretary Javier Bonilla announced after a meeting at the Secretariat of Labor that all sectors agree that this effort should continue. He said all sectors are committed to it and that it has been a success so far. He added that this does not mean that problems do not exist, but that it is precisely because of these problems that the PASE signatories are convinced that the commission must continue to operate. Regarding the school equipment prices in effect in February, the same prices will be maintained during the next school year subject to agreement between the Secretariat of Commerce, manufacturers, and merchants, Bonilla added.

Meanwhile, Agustin F. Legorreta, president of the Business Coordinating Council (CCE), said that all sectors and the government have concluded that the political, social, and economic price of establishing a program of economic stability "is lower than the price of allowing mismanaged or uncontrolled inflation to go unchecked, because there is no way to reduce inflation without a recession and a series of setbacks in prices, which could end in shortages, as in the meat sector's case."

Nevertheless, the business leader said, PASE is in effect today and it probably will be for the remainder of 1988 because it should be given all the time it needs to defeat inflation and reduce it to international levels.

In response to CTM [Confederation of Mexican Workers] leader Fidel Velazquez's statement that salary increases will be requested if prices continue to rise, Legorreta said that "it is risky to say that this or that should be requested without having an idea of what will be included in the new package as of 1 September."

Legorreta mentioned, meanwhile, that exports have increased, although he acknowledged a certain weakness in the external sector due to interest rates, which have increased while oil prices have dropped. Nevertheless, despite these factors, the foreign sector has reacted well, and at present there is no need for a change in the peso's parity with the dollar.

Meanwhile, telephone operators union leader Francisco Hernandez Juarez said that the labor sector will not request salary increases at the next PASE review because vague suggestions and attitudes that could ruin all the efforts that have been made should be avoided. To ask for salary increases, he said, would be to create a pretext for businessmen and merchants, PASE's enemies, to raise prices and initiate an upward price spiral.

Hernandez Juarez added that PASE "has political implications, particularly because of comments that it was created for strictly electoral reasons and that once the elections were over the government's interest would wane, nullifying the entire effort."

Juan Moises Calleja, the labor sector's representative in the Follow-Up and Evaluation Commission of PASE, reported that the prices of some basic products had been increased, in response to which the commission considered various solutions; for example, increasing imports of various products to lower prices.

De la Madrid on Need for Trade Diversification

PA2607161188 Mexico City XEW Television Network in Spanish 1300 GMT 26 Jul 88

[Text] Mexican President Miguel de la Madrid presided over a meeting at the Los Pinos presidential palace to announce the progress of the National Foreign Trade Bank's financial and promotional program. De la Madrid said a greater diversification of Mexico's exports is necessary.

[Begin De la Madrid recording] An economic and foreign trade dependence on the United States is not good for Mexico. It is essential to keep trying to trade with the largest possible number of countries. [end recording]

De la Madrid said Mexico is laying a more solid foundation for strong, steady, and equitable economic growth. He pointed out that the Mexican economy's enormous potential has been proven and that a freer commercial policy has helped maintain good economic and employment levels. He also said that the country's recent commercial policy has played an important role in the effort to decrease the pressure caused by inflation.

New Group Claims Mexico City Bomb Explosion

PA2607223188 Paris AFP in Spanish 1501 GMT 26 Jul 88

[Excerpt] Mexico City, 26 Jul (AFP)—The Mexican police have reported that a bomb went off inside the installations of the Probursa private brokerage house on the night of 25

July. The building is under construction. The previously unknown group "General Emiliano Zapata Mexican Revolutionary Commando" claimed responsibility for the explosion through leaflets that were distributed at the site of the incident shortly before the explosion.

The building under construction is located two blocks from the offices of PRI presidential candidate Carlos Salinas de Gortari, whose triumph was refuted by the opposition under accusations of "electoral fraud."

The explosion did not cause any casualties, but it damaged the building and a few buses passing by the building at the time of the explosion. [passage omitted]

87 New Radio Channels To Be Added to AM Band

PA2507171688 Mexico City EL NACIONAL in Spanish 19 Jul 88 p 12

[Article by Mario Abad S.]

[Text] Mexico has increased its spectrum of radioelectronic coverage by broadening its AM band through the addition of 87 new broadcasting channels. Yesterday Jose Antonio Padilla Longoria, general director of communications regulation and control at the Secretariat of Communications and Transport (SCT), said that this action results from the full exercise of national sovereignty.

Padilla Longoria commented on the results of the plans made at the International Telecommunications Union's (ITU) regional administrative radiocommunications conference. This event, presided over by Mexico, took place recently in Rio de Janeiro, Brazil.

Once the 1605-1705 kHz AM band goes into effect, Padilla Longoria said, "we will be able to further broaden the national radio broadcasting infrastructure." Thus, he added, the objectives of economic and social development most in need of aid will receive support.

Padilla Longoria said that within the next 2 years, new radio stations will be installed and operating in towns that currently lack this service. Included will be areas where means of communication, decentralization, cultural and economic development, and national identity must be strengthened. This, Padilla Longoria said, is the case in the border areas.

In conclusion, Padilla Longoria announced that the planning of the (1605-1705 kHz) band was carried out by the conference's fourth commission. Representatives from the 22 nations that comprise the ITU participated.

Briefs

Drug Campaign Statistics

The Mexican Army destroyed 290,000 marijuana plants confiscated from 20 plantations during a successful operation along the Guerrero coast. Today Defense Secretary General Juan Arevalo Gardoqui presented to President de la Madrid a report on the results of the drug trafficking campaign conducted over the past 25 days. Gen Arevalo Gardoqui said that the police confiscated 821 marijuana plantations, 115 poppy plantations, 1,823 kg of marijuana, and raided 7 drug trafficker camps and 2 clandestine airstrips. On 9 July, the police destroyed more than 1 ton of cocaine and other drugs confiscated by 6th military zone troops in Torreon Coahuila. He added that 258 drug traffickers were arrested during this time period in northern Mexico, from whom the authorities confiscated 1,440 kg of marijuana and 214 weapons of various calibers. [Summary] [*PA2007144488 Mexico City XHTV Television in Spanish 0200 GMT 20 Jul 88*]

Guatemala

'Terrorist' Ambush Leaves Three Soldiers Dead

PA2607192688 Guatemala City Teleonce Television in Spanish 0400 GMT 26 Jul 88

[Text] Three soldiers, identified as Cesar De Leon Diaz, Ismael Ramirez Estrada, and Amilcar Argueta Rabanales, were killed this weekend in a terrorist ambush in the village of Matasano, San Rafael Pie de la Cuesta municipality, San Marcos Department. According to reports, the soldiers were taken by surprise during a routine patrol.

Honduras

Anti-Sandinists Burn Ortega Effigy at Embassy

PA2007143588 San Jose Radio Reloj in Spanish 1200 GMT 20 Jul 88

[Text] Tegucigalpa, Honduras —Yesterday 50 Nicaraguan anti-Sandinists, including men and women, burned an effigy of Nicaraguan President Daniel Ortega during a demonstration in front of that country's embassy in Tegucigalpa.

The demonstrators, some of whom pointed out that they belong to the Social Christian youth organization but that the Nicaraguan Resistance is the standard-bearer of their struggle, asked the Nicaraguan Government to comply with the Esquipulas II agreements.

Nicaragua

Ortega on Outline of Last U.S. 'Offensive'

PA2707035688 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 27 Jul 88

["Exclusive" interview with President Daniel Ortega by NOTIMEX reporter Epigmenio Ibarra in Managua; date not given—recorded]

[Text] [Ibarra] President Ortega, how do you view the current state of the Esquipulas II process? What is its outlook? What difficulties is it facing?

[Ortega] We are facing what we can label as the final and extraordinary offensive by the Reagan administration. This offensive aims at killing once and for all the possibility of peace in Central America, burying the Central American peace plan, and leaving for the next U.S. administration a war, a military confrontation, or a military escalation against Nicaragua. The Reagan administration has not abandoned its plan to destroy the Nicaraguan revolution.

[Ibarra] What is the general outline of the U.S Administration's offensive? The Reagan administration has only a few months left.

[Ortega] They are using all means. We can say that the least of those means would be to give the contras—as the instrument of Reagan's policies—more military, logistical, and political support. This way the contras would continue their criminal actions against the Nicaraguan people. Reagan wants to leave the contras as a lethal inheritance for the new U.S. administration.

[Ibarra] Mr President, some people say you have helped the Reagan administration officials who want new aid for the counterrevolution. They say the Nicaraguan Government accomplished this by becoming radicalized, by clamping down on the opposition, and by closing the newspaper LA PRENSA and Radio Catolica. How do you feel about that?

[Ortega] There has not been any radicalization. We are merely defending this country's constitutional framework and the laws that must be respected. Following a period of negotiations—Esquipulas, Sapoa, and all the others—and a dialogue, not only with those groups that endorsed talks with the contras but also with U.S. congressmen, we had finally reached agreement on a timetable to implement the peace plan within a period acceptable to all. However, the U.S. policies prevailed through Enrique Bermudez. The entire peace plan was affected, and the mercenary forces resumed their attacks against civilians.

[Ibarra] Thank you, Mr President.

Ortega Congratulates Castro on Anniversary

PA2607191888 Managua Radio Sandino in Spanish 1200 GMT 26 Jul 88

[Message sent by President Daniel Ortega to Cuban President Fidel Castro—date not given]

[Text] Esteemed Comrade Fidel:

In the name of the FSLN National Directorate and the Nicaraguan Government and people, we salute the government, party, and people of Cuba on the occasion of the 35th anniversary of the Moncada uprising led by you on that glorious date, 26 July 1953. That feat—carried out by the purest and most patriotic Cuban youths who were following in the footsteps of Mateo, Gomez, and Marti—was recorded for all time in the historic annals of the Latin American people's struggle against economic oppression, social misery, and political tyranny.

To the Cuban people and their Latin American brothers, that 26 July action heralded the renewal of the struggle against anti-imperialism to prevent, as Marti desired, the rise of the United States as another force acting against the peoples of our America. General Augusto C. Sandino was among the precursors of this crucial battle. Wielding

Marti's anti-imperialist ideals, the fighters on that memorable morning 35 years ago implemented a form of revolutionary struggle that achieved its final victory on 1 January 1959, a date marking the beginning of a new era in our continent's history.

The FSLN and the Nicaraguan people, valuing the far-reaching effects of those decisive events in Latin American history, greet another anniversary of the Moncada uprising and wish the Cuban people, party, and you, Comrade Fidel, continued and greater success in building socialism, in forging a new society, and in deepening the internationalist conscience—efforts that demonstrate Cuba's exemplary attitude, especially at the time when Nicaragua is struggling against imperialist aggression as heroically as the Moncada fighters once did.

Fraternally,
[Signed] Daniel Ortega Saavedra

Panama

Arnulfo Arias To Return at 'Appropriate Time'

PA2607132488 Panama City Telemetro Television in Spanish 2300 GMT 25 Jul 88

[Passages within quotation marks recorded]

[Text] Today Authentic Panamenist Party [PPA] Vice President Jorge Pacifico Adames stated that his party is facing the country's crisis with a fighting spirit. He added that PPA President Arnulfo Arias, who has been the nation's president three times, is presently in the United States but follows Panama's problems closely.

[Adames] "Dr Arias knows he is needed here in Panama, but he is currently studying the Panamanian situation in Miami and will return to Panama at the appropriate time. He knows he has to return because something has to happen here in Panama as the country cannot continue to experience the current situation."

Adames also said PPA members have not met, secretly or publicly, with government officials to negotiate a political solution.

[Adames] "We have not held political conversations with any sector, and we are not interested in talking about elections or anything else at present."

PPA member Guillermo Endara stated that the only solution to the country's present crisis is for those in power to change their attitude.

[Endara] "We are prepared to talk to the National Guard as soon as they show the political will to return to their garrisons and be willing to be led by civilians who are elected by the people. At that time we will talk to them to ensure that a reasonable and peaceful change takes place in the country."

Possible Arnulfist-Torrijist Alliance Viewed

PA2607191488 Panama City CRITICA in Spanish 26 Jul 88 p 4

["Political Coliseum" column by Baltazar Renan Aizpurua: "Arnulfist-Torrijist Alliance?"]

[Excerpt] [Passage omitted] I have confidential information that I do not hesitate to publish. If true, it will be confirmed in due time; meanwhile, it is necessary to start a political debate on the subject. According to my correspondent, there was a meeting in Miami between Arnulfo Arias and a top PRD [Democratic Revolutionary Party] leader. After discussing the country's political situation, it was concluded that a unity of Arnulfist and UNADE [National Democratic Union] forces would prevent any possibile U.S. intervention in Panama.

Arias admitted that he has had the honor of occupying the Presidency three times and said he would be willing to accept a conciliatory presidential candidate such as Tomas Gabriel Altamirano Duque. His running mates would be Mireya Moscoso de Arias [Arnulfo Arias' wife] as first vice president and a member of UNADE as second vice president.

I will not speculate on those candidacies. I will only say that for a long time I have mentioned the possibility of a union of Torrijist and Arnulfist forces and many people have called me a dreamer. I must remind those who have thought or still think so that there are no abysses in politics, and much less when national interests prevail. For me, the fundamental aspect in selecting a presidential candidate should be a matter of principles. I am willing to support and vote for any candidate who will guarantee and understand that national dignity and Panamanian sovereignty come first; a candidate determined to struggle until the final consequences to earn respect for our country; a candidate who will show tact and understanding in our relations with our partners in the canal, but who will not bow to the occupants of the White House, be they donkeys or elephants.

Villalaz on 'Repressive Apparatus,' Incursions

PA2707010488 San Jose Radio Impacto in Spanish 1920 GMT 26 Jul 88

[Interview with Major Augusto Villalaz by Panamanian reporter Omaira Correa; date and place not given—recorded; monitored in progress]

[Text] [Villalaz] ...the situation will last as long as the party and the Republic last; we must make our Republic last forever. Sooner or later something must happen. We cannot go on jeopardizing the country by defending an undeserving man. This is our problem.

[Correa] [Words indistinct] in the period of crisis that started in June of last year. Tell us about the dictator's repressive apparatus. It has been said this is a very sophisticated system that is already being organized in

each neighborhood with the participation of civilians. Do you regard this repressive organization as an army that operates in parallel with the Panama Defense Forces [FDP]?

[Villalaz] Unfortunately, I am not in a position to talk much about General Noriega's repressive system. As you know, I always worked within the Air Force. I do not have in-depth information about the repressive systems. I am aware there are activities being carried out within the entire FDP and throughout the country. These activities are carried out by civilians and military men. The so-called paramilitary groups are a reality in Panama; I know that system exists in Panama. Gen Noriega [words indistinct] excellent results, undoubtedly. However, I believe this system also has its limits, and they are also aware this system is not the best way to handle the situation.

[Correa] Maj Villalaz, you reported a movement of weapons from Cuba to Panama. I just learned that in the most recent incursion into the canal area, which also involved shooting, another Cuban citizen was apparently killed. The death of another Cuban had already been reported after an earlier incursion. This is the second Cuban citizen reportedly killed in those incursions. How do you view those incursions? Many described them as provocations against the U.S. Army. What exactly is Noriega pursuing with those incursions?

[Villalaz] I think he is testing the reaction ability of the units that are protecting the key security points of the U.S. bases and the canal; he is testing that ability. I believe the detection of an incursion the night before last is part of those units' mission to detect intruders. I am sure there have been other incursions that have not been detected. I cannot tell you where, because I am not there, but knowing the FDP, I am sure they are capable of conducting more incursions. There are Cuban units in Panama that are expressly advising the FDP. The incursions are part of the training. Through those incursions, they are testing the reaction ability of the units that are protecting the security and control points of the U.S. military installations.

[Correa] Maj Villalaz, you were a member of the FDP. You are aware of the relationship that has always existed between Dario Arosemena, current Panamanian ambassador to Costa Rica—where this radio station from where we are broadcasting this interview is located—and the FDP. First, I would like to know what is the true relationship between Ambassador Arosemena and the FDP? Second, what are your views about Arosemena's statements that Noriega stays in Panama and remains in power because the Panamanian people want him to stay? You witnessed the demonstrations that the Panamanian people have been conducting for a long time. What do you think of Ambassador Arosemena's statements? What is the truth behind the relationship that Ambassador Arosemena has always had with the FDP? Many of us are aware of that relation. In the past, Mr Arosemena was the director of DENI [National Department of Investigation], which is an office attached to the FDP. Tell us about the relationship between Ambassador Arosemena, the FDP, and Commander Noriega himself.

[Villalaz] As you said, Arosemena was DENI director some time ago. DENI is the Panamnian Government version of the Gestapo. As a former DENI director, Arosemena knows all about the security, search, surveillance, and repression systems linked to the FDP [words indistinct] and protection. I believe Mr Arosemena is one of Gen Noriega's employees [words indistinct]. He is doing his work [words indistinct] let us say repressive activity. Unfortunately, he has never been a man of [words indistinct]. There are other men who do have [words indistinct] occupying that position. I regret [words indistinct] because he is the uncle of Major Fundora, who is currently in prison, and Mr Arosemena is supporting that [words indistinct]. He knows that imprisonment is senseless. He is part of the repressive apparatus. He is fulfilling his duty despite his family ties. I saw him at Maj Fundora's office several times. He was always asking for favors. This is the way he is repaying his nephew for those favors.

Anyway, Panamanians are here in Panama, and we know [words indistinct]. I hope the day our new republic is born, people will remember Mr Arosemena and his relations with his nephew Maj Fundora, who is my friend and brother. I regret Mr Arosemena is supporting those activities at this historic time our country is experiencing.

[Correa] Friends, these were the exclusive statements made by Maj Augusto Villalaz, former deputy chief of the Panamanian Air Force and brother of the current Panamanian attorney general, for Radio Impacto.

M-19 Commanders Thank Noriega for 'Solidarity'

PA2607182388 Panama City LA ESTRELLA DE PANAMA in Spanish 26 Jul 88 p 1-A

["Text" of letter from the M-19 General and Superior Commands to General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces—dated 21 July]

[Text] The men of M-19 are pleased to express, before the international community, their sincere appreciation for your hospitality, your concern for a sister nation ravaged by war, and your solidarity, which is a commitment that every believer in democracy throughout the American continent should have at a time when we are threatened by deafening sounds from the north.

The Panama declaration, which was signed by Colombians who insist on political solutions and witnessed by a people and an armed forces who did not give in to arrogance and imperiousness, will be a sign of hope for Colombia, a voice that stubbornly cries out for peace, for life, and for democracy.

Thank you, Commander, friend of America.

We thank you on behalf of our men and women and on behalf of the Colombian people's armed defenders.

We pledged our word. We are keeping it!

Yours truly,
Carlos Pizarro Leongomez, Antonio Navarro Wolff, Oti Patino, German Rojas, M-19 General Command
Vera Grave, Rosemberg Pabon, Heverth Bustamante, M-19 Superior Command
21 July 1988

Argentina

President, Vice President View Debt Situation

PY2607154988 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1340 GMT 26 Jul 88

[Text] Buenos Aires, 26 Jul (NA)—Today Vice President Victor Martinez met with President Raul Alfonsin to analyze various economic issues. At the end of the meeting he said: "Our talks today centered on negotiations on the foreign debt" with the IMF because "it will determine our position on many internal matters."

Martinez said Msgr Antonio Quarracino's visit with members of the first military junta in the Magdalena prison "has nothing to do with a request for amnesty."

Martinez talked with the press after his meeting with Alfonsin at Government House. He told reporters he had briefed Alfonsin about this afternoon's meeting with leaders of the various Senate blocs.

He anticipated the possible approval of proceedings in Congress for tomorrow's discussion of treaties with Italy, and the draft bill considering the provincial status for Tierra del Fuego on 28 July.

Martinez said that during his meeting with the president they "discussed economic problems in general, and the negotiation of the foreign debt with the IMF in particular because it will determine our position on many internal matters."

The vice president said he also discussed the issue of evolution of prices with the president. He stressed that the topic was treated "within the context of our efforts to clean up public administration and to make public enterprises use true prices and costs." He was referring to public utility rates.

He said: "There are several measures under consideration, among them austerity, which are needed to reduce public spending, because of its effect on inflation and its close links with the cost of living."

Asked about a report stating that Msgr Quarracino had worked out a possible amnesty with former commanders of the military junta, Martinez said he was not aware of it.

"Of course the visit could fall within the framework of spiritual support that the church grants to any convicted person," the vice president said.

Martinez concluded by saying that the visit "as far as I know, has nothing to do with a request for amnesty."

Economy Official Denies Price Freeze

PY2607182388 Buenos Aires Domestic Service in Spanish 1600 GMT 26 Jul 88

[Text] Economic Policy Under Secretary Juan Sommer has denied that the government intends to implement a price freeze and a maxi-devaluation of the austral. He also considered it absurd to think of implementing a deindexation policy and explained that the government will try to reach an agreement with the private sector without implementing unilateral measures.

Juan Sommer's statement was published in LA NACION newspaper today which also reports that the government will make a proposal for the deindexation of the economy once the foreign debt negotiation is completed and when the fiscal situation is under control.

LA NACION states that the need to reach an agreement with the private sector for the deindexation of the economy presupposes the following: The government does not declare a price freeze but establishes a price adjustment [movimiento de precios] to be agreed upon by the two sides. This means that there will be no deindexation and that the government does not intend to encourage loans for those business sectors who agree to a deindexation plan.

Public Hearing on Falklands War Trial Begins

PY2607214288 Buenos Aires TELAM in Spanish 1829 GMT 26 Jul 88

[Text] Buenos Aires, 26 Jul (TELAM)—Today the public hearings of the trial to review the sentences that the Armed Forces Supreme Council handed down to those responsible for the military direction of the Malvinas War began at 1510.

General Leopoldo Galtieri, Admiral Jorge Anaya, and Brigadier Basilio Lami Dozo, all wearing their uniforms, entered the federal appellate court under strict security. Generals Omar Parada and Mario Benjamin Menendez and Vice Admiral Juan Jose Lombardo, who are also involved in the trials, followed the three former commanders.

The federal court, which is headed by Horacio Cattani, will hear the case involving the responsibilities of the commanders who directed the hostilities with Great Britain during the 75 days of combat on the islands, during which some 700 Argentine and 300 British soldiers died.

The hearings are being attended by high-ranking officers—both serving and retired—of the three services, diplomats, jurists, and many Argentine and foreign journalists.

Nicaragua's Cabezas on Relations With U.S.

PY2007145688 Buenos Aires DYN in Spanish 1414 GMT 20 Jul 88

[Text] Cordoba, 20 Jul (DYN)—Omar Cabezas, coordinator of the Defense Committees [as received] of the FSLN and one of the commanders and a member of the Nicaraguan Government Junta, has said that "It is possible to reestablish civilized relations of mutual respect with the United States."

He pointed out that the remarks made by Michael Dukakis, the Democratic Party's presidential candidate, "demonstrate an intention in this respect," although he recalled that since Ronald Reagan became President "He has repeatedly, every week, promised to destroy the Nicaraguan revolution."

"Peace is possible," the commander said, "because our small country can coexist on equal terms with a powerful nation."

He also admitted that his country's economy has been destroyed due to the war, and that the institutionalization process will continue through the municipal elections to elect mayors.

He also pondered the role of the Group of Eight, of which Argentina is a member, in seeking a framework of understanding and an outlet for the Central American conflict, but he criticized the Honduran Army for "allowing the contras to rent its territory."

Cabezas arrived in this city to participate in several ceremonies that are linked to yesterday's 9th anniversary of the Sandinist regime's coming to power in Nicaragua.

Alfonsin Receives Costa Rican Foreign Minister

PY2607034088 Buenos Aires Domestic Service in Spanish 0200 GMT 26 Jul 88

[Text] This afternoon at the Olivos presidential residence President Raul Alfonsin received Costa Rican Foreign Minister Rodrigo Madrigal Nieto, who is on an official visit to Argentina. During their meeting, President Alfonsin and Minister Madrigal Nieto analyzed the Central American situation on the basis of a detailed report made by the visiting minister. They reviewed the Latin American situation in general and looked closely at bilateral relations. The peace plan sponsored by Costa Rican President Oscar Arias Sanchez was also analyzed.

Madrigal Nieto, who will be in Argentina for 2 days, also met with his Argentine colleague Dante Caputo. He also extended to President Alfonsin an official invitation to visit Costa Rica.

Senator on Multipurpose Domestic Satellite

PY2607133888 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2156 GMT 25 Jul 88

[Text] Buenos Aires, 25 Jul (NA)—Today Radical Senator Jose Genoud proposed that the private sector participate in the construction and launching into orbit of a multipurpose domestic satellite. He also asked the executive branch to open a public call for bids for concession on the use of the orbit locations that the International Telecommunications Union [UIT] has assigned to Argentina.

Considering that the cost of the satellite is $300 million, Genoud proposes "considering the possibility of involving those who might be interested in the project," yet maintaining 50-percent participation for the state.

Genoud stressed that "There is an important lesson to be learned about the role of satellites during armed confrontations, as was shown by the use of satellites in the reconquering of the Malvinas Islands in 1982," thus tacitly alluding to the satellite support that the United States gave to Great Britain.

The senator added that Argentina "does not have a multipurpose satellite of its own for transmitting television and telephone signals and that, consequently, it must rent satellite services from the 'Intersat' consortium."

Genoud said that on 25 February 1985, Argentina asked the UIT to reserve orbits locations at 80 and 85 degrees west, adding that "This represents the challenge of launching a satellite that could provide 24 functional segments which can be used for programs of national interest, education, defense, and other sectors that reaffirm our national sovereignty."

Brazil

Sarney on New Constitution, Other Issues

PY2707014788 Brasilia Domestic Service in Portuguese 2334 GMT 26 Jul 88

[Speech to the nation by President Jose Sarney from Planalto Palace in Brasilia; date not specified—recorded]

[Text] Brazilian men and women, good evening:

Once again I am here to share responsibility with the nation, this time by talking about the future constitution of Brazil. This is the most appropriate time because the second round of voting on this constitutional text began today. This text is now insulated from pressures and circumstances, and so it can be reviewed and improved. This is how the delegates to the Constituent Assembly view it also because by submitting 1,800 amendments, they have demonstrated their dissatisfaction with the way the current text is worded.

The second round of voting, therefore, is not simply putting the text up for approval; it is meant to review and improve the text. I want this task to be completed as soon as possible. I have always defended a modern constitution, reflecting social advances to create a more just and humane society; a constitution that will be a landmark in the history of Brazilian political thinking.

I have evaluated the work of the Constituent Assembly many times, not with the intention of acting as a judge or a critic, but rather with the intention of discharging the duties of my office and maintaining a positive vision, since I was the one who convoked this Constituent Assembly, and I will be the one who swears to defend and implement the new constitution. Therefore, I cannot be derelict in my duties and stay away from the discussion or ignore the writing of the new constitutional text.

Through 18 months of proceedings by the Constituent Assembly, we have made great strides in consolidating a democratic state, despite the current economic, social, and political problems. Today, the external sector is under control. We have concluded an agreement on our foreign debt, and the foreign trade of developed countries is reopening lines of credit to Brazil. We are receiving expressions of confidence from every side. So, I am certain that when my government is over, democracy will have been restored and the economy will be in order. However, as the work of the Constituent Assembly comes to an end, there are still things that cause perplexity.

First: There is wariness that some articles of the constitutional text might discourage production, disrupt the flow of capital, pose obstacles to private enterprise, and wind up causing idleness and unproductiveness.

Second: Some provisions might burden Brazil, a new country that requires all around efforts, with a sluggish, backward machinery; that the people, rather than getting more prosperous, might get poorer, retreating rather than progressing.

In sum: Brazilians are wary that the new constitutional text might make the country ungovernable. And this must not happen.

The country knows that we do not have enough resources to care for all the needs and provide for all the functions of the state. The new constitution, if those provisions are finally approved, will worsen the situation by causing nearly a 20-percent loss of revenues in 1989. On the internal front, at values as of June this year, the direct and immediate impact on the federal budget will surpass 2.2 trillion cruzados—nearly $12.6 billion. This figure represents twice the central government IPI [manufactured product tax] and income tax receipts, or twice the cost of federal, state, and municipal health programs or the cost of the free milk distribution program for school children over a period of 32 years, or, finally, double this year's deficit of the federal budget.

The situation in the area of social security is equally difficult, and many of its expenditures cannot even be assessed. But, going by the expenditures that can be assessed, the additional cost in social security expenditures required under the new constitution, as it stands today, amounts to more than 1 trillion cruzados per year—$5.6 billions. Beginning in 1989, as the new entitlements go into effect, the social secutity system would incur a deficit on the order of 630 billion cruzados, or $3.3 billion. What is more, we will not be able to quantify the equivalence of urban and rural benefits; to anticipate the age limit for retirement of rural workers; to evaluate the proportional retirement benefits for women with 25 years of professional activity; to evaluate the pension accrued to the husband or common law husband upon the death of insured women; to reformulate the calculation of retirement pensions, based on the average of the last 36 salary contributions; to grant unemployment compensation equivalent to a minimum salary with guaranteed preservation of its real value; or to grant maintenance assistance for dependents of low income beneficiaries. The Constituent Assembly mandates that social security resources be incorporated into the FINSOCIAL [Social Fund] contributions, thereby withdrawing resources from the school snack and free milk distribution, the housing programs for low income people, and the financing for small rural producers.

Those programs would have to be drastically curtailed or eliminated, and this would be a tragedy because it would hurt the most needy. I repeat that it is my duty as the nation's president to draw the Constituent Assembly delegates' attention to these matters.

I am not thinking of my government because it will be the least affected. I am thinking of the country, of its future, of the difficulties of future governments, which would be left in no position to conduct this great nation as we all want it to be conducted. As the nation's president, I have to look at the broad framework, not the narrow. I have to look beyond my term in office and avoid a path that would prove unviable and contrary to the national interest. I refer particularly to the huge explosion of public expenditures to meet the cost of benefits that we all would like to extend, but that unfortunately we are not in a position to extend. How can we meet these mammoth outlays without stifling the taxpayers, hampering our growth, eliminating jobs, and running into hyperinflation?

The government has three sources of revenue: Printing money, collecting taxes, and floating treasury bonds to borrow money from the public. These are the three sources, and we have to perform miracles with them, because they are limited. I am proud of the freedom in which we live, and I know how much it cost the government and the people, in effort and determination, to achieve the 21.7-percent real economic growth that was achieved in my first 3 years in office. The cost can be

accurately defined as belt tightening by taxpayers, unemployment, rising public deficit, hyperinflation, nonviability of social programs, international discredit, stifling of internal and external investments, economic recession, and permanent political and institutional instability.

The results could be even worse: People will become frustrated because they will expect to receive benefits that the government will not be in the position to extend. How much will public expenditures increase if the constitutional text is approved as it now stands? I address this question to all Brazilian men and women. I have to answer sincerely that the cost will be immeasurable. The impact of most of the constitutional articles that demand more expenditures cannot be immediately calculated. Fundamental information that depends on society's reaction to the new rules, varied interpretations, and additional information on implementing legislation is not yet available. But the evaluation of some measurable impacts is sufficient to demonstrate the economic and financial imbalance that will result. Who will pay these bills? I tell you: The people, and only the people, will pay them, because, directly or indirectly, society is ultimately the source of public resources. In addition to the new taxes that will have to be levied in order to cover the expenditures this constitutional text will beget, we will have to burden families and enterprises with other fiscal measures.

Article 161, for example, authorizes the state governments to create an additional income tax. The current income tax already represents a great burden. Nonetheless, the text of the constitution will allow the state governments to create an additional income tax, which does not come out of its pocket. This same article also allows the Goods Circulation Tax [Imposto de Circulacao de Mercadorias,ICM] to be charged on exported semi-manufactured products. Article 162 creates more taxes over the retail sale of fuel. These measures represent a greater burden for the tax payer and create conditions for a fiscal war among the states. The ICM on exports will affect the agreements signed between Brazil and other countries. It will create further unrest in international trade relations, and it will reduce the competitiveness of Brazilian products. With the municipal tax on fuels, the policy of a uniform price throughout the country will be done away with.

The PIS/PASEP [Social Integration Program/Civil Servants Welfare Fund] which by definition constitutes the capital of public and private workers, if allowed to be used for other means, as the new constitutional text provides, will be diverted from its true purpose. Income will be taken from workers and their capital will be reduced. Four provisions under temporary articles numbers 22, 24, 25, and 26 grant stability and privileges to certain groups, and make a strong and incalculable impact on the government coffers. These articles will create privileged groups within the public service, a practice at odds with the best administrative procedures.

Article 23 of the temporary provisions allows the retirement of public servants under laws that have long been revoked. It will cause confusion in the ranks of civil servants and military personnel. In the latter case, it will even make possible promotions to the rank of marshal, a rank that was eliminated more than 20 years ago. So, it will not only be discriminatory; it will drastically raise expenses. If all these measures should be passed, the revisions we intend to make for the benefit of civil and military servants will definitely be discared. Article 24, in practice, cancels the regulatory power of administrative authorities, slowing down public administration, at the expense of all those who have to deal with the state, pay taxes, and discuss the benefits and rights resulting from legislation of a general nature. This same article goes even farther: It revokes all decree laws that have not been debated by Congress. And we have hundreds of these decree laws. We have been forced to use this instrument during the period when the Constituent Assembly has been in session, since the Chamber of Deputies and the Senate have not been functioning normally. The Constituent Assembly did not take notice of the fact that, under the present constitution, these decree laws created legal obligations, changed legislation, and gave rise to legally binding actions. The legal disorder that will result from the elimination of such decree laws will be sufficient to tie up the courts in protracted litigations; workers, enterprises, and the public sector will be hurt.

The article granting debt cancellation to small- and medium-sized entrepreneurs is a socially unjust measure, against which various sectors of society have already objected. Moreover, we must not forget those small and medium-sized entrepreneurs who have honored their debt with no small sacrifice—and there are many of them.

The right to strike, as it is now written, works against the workers, because it will allow strikes for political reasons, thus undermining the right to strike as an instrument for defending the workers' rights. Furthermore, it extends the right to strike to public servants, not allowing for distinctions for those who perform essential services. It thus creates a privileged class that can leave the population without electricity, water, transportation, health, and communication services, despite the fact that the people pay for those services.

I want also to mention article 54 of the temporary provisions, which cancels debts to the national, state, and municipal treasuries. In addition to being unfair to those taxpayers who have promptly paid those debts, this article will give rise to a default, which could be on the order of 920 billion cruzados—$5 billion—to the national treasury alone.

Brazilians, the constitution is not a goal in itself. No matter how good it is, it must be used as a tool for economic progress, for social development, and for good relations among the people. The new constitution will represent to each one of us the type of country Brazil will

become, the type of relations that will exist among Brazilians, the path our economy will follow, and the philosophy and goals that Brazil will pursue as a member of the international community.

Without profound analysis, the nation that would result from the current draft of the Constitution would become a peripheral power unable to represent or defend itself. Brazil would become a would-have-been country. It would be an eternally unfulfilled promise, without a present, and, consequently, without a future.

This, however, is not the country the Constituent Assembly members dream about.

I have been and will always be a congressman, and I know that in this second stage of the Constituent Assembly, my fellow congressmen of 1987 and 1988 will find ways of correcting the constitutional text and of eliminating the inadequate articles.

As I have said, the Assembly members themselves are not satisfied with this draft. This is shown by the fact that they presented 1,800 amendments to modify the draft.

A country's constitution must be an instrument of consensus. It must unite the people. It must be a tool for the mobilization and unification of the country. I should not be a source of conflict or be used to divide the people instead of uniting them.

When I say that, I am not thinking only of the government interests. If the constitution does not adhere to its true role, Brazil runs the risk of having ungovernable factories, ungovernable labor relations, ungovernable families, and ungovernable society.

We must not forget that Brazil's path is that of openness, of free initiative, of special stimulus to work and productivity. The work performed here, the goods and services produced here, no matter by whom, will create jobs, salaries, taxes, and social welfare here.

Brazil is a mature country. We have sufficient laws, and the government is fully able to use them with firmness and propriety in the defense of our national interests.

I am not against the social benefits foreseen in this constitutional text. Very much to the contrary, I am pleased to see that there has been social progress, that the social rights—which are so important in a country with low salaries and with a great necessity to grow in order to grant the workers a more dignified standard of living—are being respected.

The most important thing now is to find sources of wealth to make this social welfare permanent. We know that wealth can only be achieved through investments, and hard work. Progress begins within each one of us and is the result of hard work.

The state does not create wealth; it only administers it. If we suffocate the workers and the middle-class, if we prevent the companies from making a profit, who will pay the taxes? A middle-class victimized by taxes that reduce the value of their salaries will not be able to buy more than the essential basic supplies.

Therefore, I repeat: The constitution cannot destroy the hopes of 30-million Brazilians who live in absolute poverty. Many sectors of society may feel they will profit by the constitutional text, but ultimately, they will not receive the promised benefits.

More than ever before, Brazil now needs sources of income to help those who have nothing, those who have no jobs, those who have no pensions. How can we deny school lunch, food, and medicine to the poorest levels of society?

I am absolutely sure that this was not the intention of the Constituent Assembly members. That is why I decided to point out the consequences of several articles of the constitutional text that can now be modified.

Brazilians, I must repeat that I am not thinking about my government when I point out these dangers to you. As I have already said, I will be among the least affected. I am thinking about the other governments that will follow mine and the future of our country.

Therefore, I earnestly tell you that I trust the members of the Constituent Assembly. The purpose of this speech is to give them and the nation the viewpoint of the person governing this country. This speech reflects the positive position of a democratic government whose president shares responsibilities, holds talks with the people, seeks accords with the representatives of the people, and invites all sectors of society to forget party barriers and disagreements—and with great respect for the destiny of the nation—to draft a final text that may be used by the current and future generations.

This is my point of view—the point of view of someone who has to comply with the terms of the constitutional text.

I, therefore, fulfill my obligations by telling the people that we must not dream of promises that cannot be fulfilled. I do not want to be accused of failing to warn the people at the right moment. If I failed to warn the people about these promises that cannot be fulfilled, the government would be held responsible for frustrating the wishes and yearnings of the people.

The constitution must serve the country, must serve 140 million Brazilians from various regions, who have different personalities and different political trends, but are united by a common yearning for welfare.

The constitution is not one party's; it cannot be one faction's; it cannot be the victory of one group over another. It must express the national feeling in order to be long lasting, in order to unite all Brazilians, because the constitution is for us all.

I hope, therefore, that this second stage of the Constituent Assembly agrees on good solutions for our problems. I know good solutions will be found. I trust the patriotic spirit of the members of the Brazilian Constituent Assembly because they work for the welfare of the country and for the future of us all. Thank you very much.

Military Concerned About Constitution

PY2707002288 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Jul 88 p 5

[Text] Brasilia—The lack of a "patriotic, high level accord" to agree to remove some excesses from the text of the new constitution may turn Brazil into an ungovernable country, "with the danger of a constitutional deadlock." This opinion of the military ministers was expressed on Sunday evening during a meeting with President Jose Sarney at Alvorada Palace. Yesterday at the Armed Forces Staff (EMFA), EMFA Chief Valbert Lisieux, Military Household Chief Bayma Denys, SNI Chief Ivan de Souza Mendes, Navy Minister Henrique Saboia, Aeronautics Minister Otavio Moreira Lima, and Army Minister Leonidas Pires Goncalves again told lawmakers—in this case Deputy Roberto Cardoso Alves (PMDB-Sao Paulo) and Senator Marcondes Gadelha (PFL, Pernambuco)—that the text of the constitution must be modified to avoid "serious consequences" for the country.

According to the aeronautics minister, some articles must be rewritten. He made it clear that the military ministers share the President Sarney's concern about the approval of the text of the constitution, adding that, in his opinion, it the controversial articles are not changed, the decision will be respected just the same. "If the text is approved as it is, too bad," he said, adding that "this is a time for observation and for evaluation."

One of the military ministers said that no authority "supports" the constitutional deadlock, but "if nothing is done, there is a concern that we could actually reach a deadlock. The situation is very delicate for the democratic transition." He said he hopes the assembly delegates will realize that if the constitution is approved as it is, Brazil will become an "ungovernable" country.

Finance Minister Returns From New York

PY2607191188 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 26 Jul 88

[Text] This afternoon Finance Minister Mailson da Nobrega will brief President Jose Sarney on the developments in the foreign debt negotiations. The minister arrived early this morning from New York where he held meetings with U.S. bankers.

Receives Support

PY2607163588 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jul 88

[Excerpts] Brazil has paid some of the interests on its foreign debt.

The overdue interests totaling $1 billion were paid from Brazil's own reserves. Finance Minister Mailson da Nobrega held talks in New York with main creditor banks' leaders who expressed support for his economic policy implemented in Brazil. Da Nobrega intends to reach an agreement with creditor banks for a rescheduling of the foreign debt by September 1988.

Today, Brazil will present to the Committee for Commercial Negotiations that is meeting in Geneva, a note of protest against the retaliation announced by the U.S. Administration.

At a meeting of that same committee in Uruguay in 1986, Brazil reaffirmed the right to maitain its restrictive policy regarding foreign patents. By issuing this note, Brazil formally submits for discussion by the international community the U.S. decision, before resorting to the GATT. Brazil will only present its official complaint to the GATT at the end of August when this organization concludes its recess. [passage omitted]

This matter will reportedly be discussed during the visit that U.S. Secretary of State George Shultz will make to Brazil on 5 August; but Foreign Ministry Secretary General Paulo Tarso Flecha de Lima has stated that Brazil has always been firm and reasonable in its relations with the international community.

Foreign Minister Abreu Sodre has stated that U.S. threats to retaliate against Brazilian products will not affect relations between the two countries. According to Sodre, the Brazilian Government hopes to prove that the U.S. measure is inappropriate, senseless, and not keeping with international rights. Sodre hopes that the United States will publish today the list of Brazilian products that will be sanctioned.

Court President Suspends URP Payments for 1 Month

PY2607155888 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jul 88

[Text] Superior Federal Court President Rafael Mayer has temporarily suspended all rulings issued by the labor court, rulings that favor the payment of URP's [Price Reference Unit] frozen during April and May to public servants.

This suspension will last until next month when a new judge will be appointed. This new judge will then rule on the request made by General Prosecutor Sepulveda Pertence to the Superior Federal Court, which urges a study of all rulings regarding the URP.

Chile

Pinochet Says 'I Accept Political Parties'

PY2607172288 Santiago Radio Chilena Network in Spanish 1700 GMT 26 Jul 88

[Text] President Augusto Pinochet said, I accept political parties, and I welcome them with open arms because they are supporting me, during a breakfast meeting with about 100 young professionals who support the yes-vote in the plebiscite.

Pinochet added that the only party he does not accept are the Communists. He said: I welcome the political parties that support us because they are struggling for the same freedom and democracy we fought for in 1973. He also said that the parties that make up the opposition are those of the Popular Unity. He added: We are going to defeat them again. I welcome the people who want to support us, to talk, to hold a dialogue. The government welcomes them, and it is willing to work with them.

Pinochet also referred to the political future. He said that in the future there will be few political parties in Chile, but they will be good ones. When the time for purifying the parties arrives, the people will maintain the good parties. There will be some variations during elections, but they will not destroy the system. He added that after the current period is over, there will be a democratic period, and we are going to be the first in South America—we are already being looked at with envy.

This morning President Pinochet also dedicated the new Hilanderia Suiza Textile Company, located on Milipilla Road. Former Foreign Minister Jaime del Valle is the president of the company's executive board. The new factory was built at a cost of $11 million and will initially provide jobs for 180 people.

Santiago Mayor Says Plebiscite Date 5 Oct

PY2607122788 Santiago Domestic Service in Spanish 1217 GMT 26 Jul 88

[Text] Santiago Mayor Gustavo Alessandri has stated that the plebiscite will be held on 5 October. He added that all states of exception would be lifted 30 days before.

He also termed as good the announcement of the date on which the candidate to the plebiscite will be elected because it will stop those who talk to much by saying that the candidate is a secret and that the affair is being handled in a confidential manner.

Alessandri said that his district is prepared for the plebiscite because the sites, ballots, secret voting booths, and everything else necessary for the plebiscite is ready.

Aylwin: Junta Plebiscite Meeting 'Good News'

PY2607032688 Santiago Domestic Service in Spanish 2300 GMT 25 Jul 88

[Text] Patricio Aylwin, president of the Christian Democratic Party [PDC] and spokesman for the no-vote group, has labeled the announcement of the junta meeting to appoint a candidate for the plebiscite as good news, and then ironically added that it is better late than never.

Aylwin, who does not lose an opportunity to critice his opponents, said that the regime has taken too long to make the announcement to the country. He also said that the demands made by the opposition and the bishops should be met. He added that the states of exception are obstacles to the normal development process for holding the plebiscite.

Aylwin, who has doled out harsh criticism, also unleashed an attack against Interior Minister Sergio Fernandez, whom he accused of politically inciting the generals. Aylwin also emphatically denied a statement made by Fernandez that the PDC and the Communists are allied. He called untrue, Fernandez' charge that the PDC has not condemned violence.

Aylwin also complained about other statements made by Minister Fernandez. Aylwin emphasized that the PDC not only values all the good things accomplished in the last 15 years, but that it will keep in mind, when the name of the candidate is disclosed, that the schedule of activities has already been set up, but that the massive meetings [words indistinct].

Chileans in Argentina Deny FPMR Membership

PY2607225288 Santiago Radio Chilena Network in Spanish 1700 GMT 26 Jul 88

[Text] Two of the Chileans arrested 10 days ago in Argentina for having fire arms and explosives in their possession have denied any links with the Manuel Rodriguez Patriotic Front [FPMR].

Judicial sources stated that the two Chilean women under arrest, Josefina Asenjo Zapata and Maria Cristina Avendano, have admitted illegally entering Argentina and forging Argentine identification documents. The two women, who admitted to being members of the Communist Party of Chile, were questioned yesterday by Argentine Federal Judge Daniel Piotti, who is in charge of the investigation.

Maria Avendano admitted that center for forging identification documents operated in her house. Josefina Zapata denied any links with the attack against President Pinochet in Chile, where she is wanted for that crime. The two women were arrested a few hours after the Argentine police, on 17 Jul, arrested Chileans, Rolando Escobar, Hector Palma, and Luis Kroijevic after verifying that they were driving a stolen vehicle, and carrying arms and hand grenades. The three Chileans, who are going to be questioned by Judge Piotti in the next few

hours, are wanted by Chilean Military Prosecutor Fernando Torres for having participated in several attacks, including the kidnapping of Colonel Carlos Carreno.

Argentine Judge Piotti told the press that the fact that the Chileans had newspaper clippings and Marxist literature in their posession at the time of their arrest is not a crime. However, Piotti stated that the Chileans are being processed for having possibly violated Article 213 of the Penal Code, which establishes sentences of 3 to 8 years in prison for anyone using coercion or terror to impose political ideas. The Chileans under arrest will also be tried for posessing firearms, explosives, and forged identification documents, and automobile theft.

Argentine Foreign Minister Dante Caputo said that the arrest of the three Chilean citizens and the expected delay in answering the extradition request submitted by the Chilean government are not going to affect bilateral relations. He said: We are going through the investigation process, and there is no reason for this event to affect our relations.

Journalists Indicted; Violated Constitution

PY2607151688 Santiago Domestic Service in Spanish 1030 GMT 26 Jul 88

[Text] The Santiago Appellate Court judge has indicted the directors of APSI, CAUCE magazines and the daily FORTIN MAPOCHO.

Judge Jorge Varela Videla delivered this decision against journalists Marcelo Contreras, Francisco Herreros, and Alberto Gamboa respectively. These three journalists have been charged with violating the complementary law to Article 8 of the Constitution which prohibits the dissemination of totalitarian doctrines.

Judge Jorge Varela is also conducting investigations requested by the Interior Ministry last 26 June against four directors of the local opposition media sectors.

A fourth charge was filed against ANALISIS magazine, whose case is pending further information.

Contreras, Herreros, and Gamboa were released on bail after being informed of the charges.

South African Embassy Target of Bomb Attack

PY2607132588 Buenos Aires DYN in Spanish 1206 GMT 26 Jul 88

[Excerpt] Santiago, 26 Jul (AFP)—According to police sources, a powerful bomb exploded today in front of the South African Embassy in Chile.

The shock wave also damaged windows and caused minor damages to a neighboring school.

Chilean authorities, who stated that the bomb was thrown into the garden from the street, said that there were no injuries.

The attack on the South African Embassy occurred at approximately 0615 (1015 GMT), and was the fourth in a number of attacks which began on Monday night 24 July. [passage omitted]

Three Bomb Blasts Rattle Santiago; No Injuries

PY2607143988 Santiago Domestic Service in Spanish 1030 GMT 26 Jul 88

[Text] According to the latest reports, terrorists have carried out three bomb attacks in the past few hours.

One of the bombings which Radio Nacional de Chile reported at approximately midnight, was against the Hong Kong Bank, located on the corner of Agustinas and Miraflores Streets. The blast caused serious damages to the bank window panes as well as those in a block of nearby apartments. As a result of broken windows, inhabitants of the building had to use clever means to keep themselves warm during the night.

The second bombing took place on Congojas Bridge, causing damages to the shops (?items), (?bata), and the Puentes glassware shop. It also shattered window panes and shelves.

The third explosion occurred in the Estacion Central neighborhood, at a Banco de Santiago branch located south of Bernardo O'Higgins Avenue.

Peru

Alan Garcia Receives Uruguayan Foreign Minister

PY2607150088 Lima Television Peruana in Spanish 0100 GMT 26 Jul 88

[Text] Today Uruguayan Foreign Minister Luis Barrios Tassano said he shares President Alan Garcia's idea of creating new conditions for talks with the United States. He also confirmed that the Group of Eight will meet in Punta del Este.

The Uruguayan foreign minister made these statements after meeting with President Alan Garcia in Government House. Barrios Tassano met with Peruvian Foreign Minister Luis Gonzalez Posada.

[Begin recording] [Unidentified reporter] We know that a meeting will be held in Punta del Este from 26-29 October. How is this related to your meeting with President Garcia?

[Barrios] You know that since the Group of Eight was formed and the Acapulco Declaration was made, these presidential summits are supposed to be held once a year. It is one of the Group of Eight rules.

It is now Uruguay's turn to organize the meeting, that is why I am here, to ensure the compliance of the group's objectives. Therefore, we are discussing with the Peruvian foreign minister and president the summit's agenda and topics of discussion.

[Reporter] [Question indistinct]

[Barrios] We share with President Alan Garcia the concern for creating better conditions for talking with the United States. We not only wish to introduce new contents into the talks but also wish to unify all of Latin America on a more realistic and plausible basis.

We are not only talking about relations with the United States but with the entire world as well. Latin American relations are not restricted only to the United States. We maintain relations with Europe, Japan, and South East Asia, which is currently a very important center of economic development and political potential.

We have just concluded speaking with the Peruvian foreign minister. I also believe that, among other things, the Group of Eight can create a new basis of relations with new objectives, challenges, and ambitions. That is what all this is about and why I have come here; I agree with President Alan Garcia's proposal whose foundations and philosophy we fully support. [end recording]

CGTP Strike 'Partially' Observed by Workers

PY2007033988 Lima Television Peruana in Spanish 0100 GMT 20 Jul 88

[Excerpt] Workers have partially observed the 1st day of the 48-hour strike called by the communist central of the CGTP [General Confederation of Peruvian Workers] [as heard]. Since very early in the morning, people have used all possible transportation methods to go to their work places. The government has offered all possible guarantees in this regard [sentence as heard]. Armed and police forces are strictly controlling order in the country. Only a few violent incidents have been recorded.

In the markets, activities were normal. However, bank and commercial activities were rather restricted. Our reporters will give us further information on the strike.

Some workers used bicycles; others walked in an effort to reach their workplaces.[passage omitted]

Prime Minister on Strike

PY2007035588 Lima Television Peruana in Spanish 0100 GMT 20 Jul 88

[Text] Prime Minister Armando Villanueva del Campo has said that the strike sponsored by the CGTP [General Confederation of Peruvian Workers] has failed to obtain a response from the majority of workers because it was clearly political in nature. The sponsors took the wrong path, he said.

[Begin recording] [Villanueva] I went to Chorrillos. Upon returning from Chorrillos, it occurred to me to go to Villa El Salvador. I was driving and I saw buses. I saw some small buses; not ENATRU [National Urban Transport Enterprise] buses, but private buses. I saw open stores and the vendors in the markets working. Thus, my impression after driving through Villa El Salvador is that the strike has virtually not been observed; at least not in a noticeable manner.

Later, I drove through Chorrillos, and Barranco and I saw many buses, many buses.

I believe that, from the information I have been receiving, it is estimated that 70 percent of the people are working, 70 percent of the workers and the services.

[Unidentified reporter] Concerning strikes, the public always knows about them. The trade union leadership always says the strike has been successful and, on the other hand, the government always says the strike has been a failure. However, how has the government actually classified this strike?

[Villanueva] I do not like to use epithets, especially concerning trade union organizations that I respect. I do not want to say that the strike has failed out of respect for the organizations that mistakenly called it.

However, the majority of the workers have not observed this strike because they found it was political in nature and this is the negative side of it.

The Constitution has the laws protect the rights of the workers. I personally am, and have been throughout my life, a champion of the right to strike, the right to protest, and rights of the workers.

However, in this case, the leadership took the wrong path because it engaged in a political strike. Articles were published daily in the press, announcing that the strike was intended to destroy the government, to overthrow it, and especially to annihilate the APRA and revisionist fascists. When the leadership speaks of revisionism, it refers to the United Left. Thus, the serious mistake of this movement was to give the strike a political tone. This is why it failed. [end recording]

Group of Eight Meeting in Lima Next Year

PY2607121488 Lima Television Peruana in Spanish 0100 GMT 26 Jul 88

[Text] Today Foreign Minister Luis Gonzales Posadas said that the third meeting of presidents of the Group of Eight will be held in Lima next year. He added that President Alan Garcia has already invited his seven counterparts, and that they have already accepted.

Gonzales also said that instructions have been given to Peruvian embassies throughout the world to conduct a campaign to enhance the image of the country abroad.

Official on Arms From GDR, Alleged Interview

PY2607035288 Lima Television Peruana in Spanish 0100 GMT 26 Jul 88

[Excerpt] Today Vice Interior Minister Agustin Mantilla said that a Polish ship carrying the arms purchased from the GDR for the Peruvian police will be leaving for Callao in the next few hours.

[Begin recording] [Unidentified reporter] What is your opinion of the interview with Abimael Guzman Reynoso published by a newspaper yesterday?

[Mantilla] Obviously the interview was forged. Just by looking at it you can see that it is. For example, in the presentation, Arce Diaz says that the interview was on Sunday, the 11th. He is trying to make it look like a recent interview. But if you check the calendar you can see that the 11th does not fall on Sunday at all this year. The closest Sunday near the 11th was in October of 1987. There is quite a bit of imprecise and inaccurate information, and the questions and answers are of very poor quality. The only thing the interview shows is the quality of the interviewer and of the individual allegedly being interviewed.

[Reporter] What about the arms now being held in Panama?

[Mantilla] The arms are in Maracaibo. Today the interior minister talked with Venezuelan Interior Minister Ciliberto, and he confirmed that since Venezuela has received from us the documents which show that the arms belong to the Peruvian police, he will take measures to allow the ship to continue to its final destination in Callao to unload the arms. [passage omitted] [end recording]

Civil Guard Arrests Teachers, FRG Photographer

PY2607220888 Madrid EFE in Spanish 0250 GMT 26 Jul 88

[Text] Ayacucho, 25 Jul (EFE)—Police sources have reported that the Civil Guard today arrested 17 teachers from a school in Ayacucho and an photographer from the FRG to investigate them.

The teachers of the Luis Carranza school, which is 2 blocks from Ayacucho's main square, were arrested on charges of holding a meeting without the authorization of the military political command. The sources said that the teachers are suspected of instigating a movement against the National Day parade.

The parade, in which students of all Ayacucho schools will participate, is scheduled for 27 July. Peruvian Independence Day is commemorated on 28 July.

The civil guard arrested FRG photographer Frank Joseph Claess and seized his camera and film because he took pictures when the police arrested the teachers.

The police did not specify for whom the photographer was working, but said that he will remain under arrest while his activities are investigated.

The teachers were taken to the police investigation headquarters in Ayacucho, 525 km southeast of Lima.

In the meantime, it has been reported that the Army today arrested university professor Richter Prada, in Milpo, Huancavelica Department, 98 km from Ayacucho. The sources did not specify the reason for the arrest of the professor.

Today leaflets with slogans of the Shining Path terrorist group were left in Ayacucho schools. The leaflets call upon teachers and students not to participate in the parade "in order to save their lives," eyewitnesses have said.

Uruguay

Argentine Army Commander Caridi Ends Visit

PY2607134088 Montevideo Radio Carve in Spanish 0930 GMT 26 Jul 88

[Text] The morning newspaper EL PAIS reported on its front page that Argentine Army Chief of Staff, Lieutenant General Dante Caridi spent the past weekend in Montevideo. EL PAIS adds that Caridi held meetings with Defense Minister Lieutenant General Hugo Medina and with the commanders of the Army, and Air Force: Lieutenant General Carlos Berois, Vice Admiral Ricardo Larguer, and Lieutenant General Fernando Arbe, respectively.

El PAIS reports that Caridi arrived in Montevideo at the invitation of his Uruguayan counterpart, Lt Gen Carlos Berois, for a short rest period. He held meetings during the visit with top leaders of the Uruguayan armed forces.

French Guiana

Ariane Launched With Two Satellites 21 Jul

WA2107232488 Paris AFP in English 2316 GMT 21 Jul 88

[Text] Kourou, French Guiana, July 21 (AFP)—An Ariane space rocket blasted off from this jungle center at 2312 GMT Thursday to put European and Indian communication satellites into orbit.

The countdown was delayed at 2250 GMT for 17 minutes as storm clouds rolled over this South American French department and technicians foresaw the possibility of a lightning strike, officials said.

The countdown resumed 17 minutes later, at 2307 GMT.

Officials: Launch 'Success'

PA2207001588 Paris AFP in Spanish 2346 GMT 21 Jul 88

[Text] Kourou, French Guiana, 22 Jul [date as received] (AFP)—Officials responsible for the Kourou Space Center in French Guiana have noted that the launching of the 24th Ariane rocket, (?which placed) two telecommunications satellites into space, was a success.

The two telecommunications satellites, the Indian INSAT-1C and the European ECS-5, became detached from the third stage of the Arianne-3 at 19 and 21 minutes, respectively, after the launching of the rocket from the Kourou Space Center.

Suriname

Assembly Questions Ministers on Bauxite Pact

FL2607190088 Paramaribo International Service in English 1730 GMT 26 Jul 88

[Text] Yesterday the National Assembly continued discussions on the draft aluminum agreement with the bauxite companies operating in Suriname. The ministers of national resources and finance, [Pretaap] Radhakishun and [Soebhas] Mungra, respectively, took almost 3 and ½ hours answering questions and critical remarks made by assembly members.

Before the meeting, the national resources minister sent a draft agreement in principle which has been amended for the (?third) time. Apart from changes in the text, three articles have also been added to the agreement. Other amendments were made during yesterday's discussions. Article No 13 says that dispute between the Suriname Government and the bauxite companies will be solved by arbitrations. In the agreement, it is also stated that the Surinamese Government and the bauxite companies will meet at least twice annually. Another article states that talks on the Brokopondo agreement will take place as soon as possible and must be completed before the end of June next year. The Brokopondo agreement paved the way for the hydroelectric plant in 1965 which is supplying energy to the operations of the Suriname Aluminum Company at Paranam.

After the ministers had answered the questions, Assembly Chairman Jaggernath Lachmon adjourned the meeting until tomorrow morning. The Assembly members will then, in a second round, discuss what the ministers of natural resources and finance said yesterday. Assembly Chairman Lachmon expressed the hope that the house will take a decision on the agreement with the bauxite companies tomorrow.

Finance Minister Comments

FL2607192088 Paramaribo International Service in English 1730 GMT 26 Jul 88

[Text] The state will get $27 million less annually on the basis of the draft aluminum agreement in principle with the bauxite companies operating in Suriname. This figure was calculated by the Ministry of Finance. Finance Minister Mungra yesterday told the National Assembly that the agreement with the bauxite companies fits in the middle-term macroeconomic policy of the government. The minister said understands from what it is stated in the agreement in principle one we ask who should adjust the room. [sentence as heard] Unfortunately, people don't realize enough that all Third World countries which mostly produce raw materials are in a weak position since there is not enough unity, said the minister. He said the government wants to pursue a policy in which private investments are encouraged as much as possible. He added that the results will be that we will have economic growth, new investments, and a better balance of trade position.

Resources Minister Statement

FL2607201988 Paramaribo International Service in English 1730 GMT 26 Jul 88

[Text] All parties concerned with the aluminum industry in Suriname will have to see to it that Surinamese alumina places itself internationally in a competitive position. This was stated by Natural Resources Minister Pretaap Radhakishun yesterday in the National Assembly. According to the minister, what Suriname wants is continuance of the operations in the bauxite sector and the government, therefore, wants to give the bauxite companies an investment premium to help lower production costs.

Radhakishun stated that the National Assembly can at a later stage decide to impose a bauxite levy if the bauxite companies make huge profits. The minister of natural resources yesterday extensively spoke on national and international developments in the bauxite sector.